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THE NEWS AND HERAD, WINNSBORO, S. C., TUES

Text of the Document Transmitted By Gov. McSweeney to The Legislature.

A Comprehensive Review of The Work Done By The Various Departments of The State Government During The Year -- Recommendations.

Gentlemen of the General Assembly: The organic law of the State makes it the duty of the Chief Executive to lay before the General Assembly at each annual session a review of the different departments of government, and to make such recommendations and sug-

gestions as may seem to him wise and proper.
The past year has been a remarkable one in many respects. Many stirring events have marked the record. The tillers of the soil in many sections of our State have not had the usual returns for their labors, and with many of them the present year is going to be one of sacrifice and self-denial, and yet they are looking hopefully to the future and not complaining. The development and progress of the State in manufacturing enterprises goes steadily forward. I sometimes fear that these enterprises are being built up at the expense of the rural districts. It has been largely among the owners and there of the soil that the sinews of strength in our State in times of peril and of trouble have rested. The strength of a State and the patriotism of a people rest with the home owners. Whatever can be done by wise legisaction to encourage home owning will be so much contributed to the patriotism of our State and to the stability of our institutions.

Since your last session the Nation has been bowed down beneath the weight of a grevious sorrow, caused by the dastardly blow which struck down Its Chief Executive, a blow aimed not at him but at you and every law abiding citizen of the land, and at the free government of which he had been chosen by the American people as the head. It was a blow at organized society and the victim was only an incident. A sentiment which gives rise to an act like this is one of the dangers which threaten our Nation. And yet, at no time has the slability of our form of government been more clearly shown than at this critical period, for the life of no one man, however exalted and beloved he may be, is necessary to the continued prosperity and welfare of the people, and the fair treatment given the murderer but served to show to his associates the efficacy and the dignity, and the necessity for the preservation of that law which he sought to overthrow.

Within the past year three of your own members-Hon. E. B. Ragsdale, of Pairfield; Hon. G. J. Redfearn, of Chestorfield, and Hon. J. B. Bates, of Barnwell-have been called from their labors here on earth and have gone to join the innumerable hosts on the other shore.

There will be many matters of importance to command your consideration, and in all questions coming before you, you should always bear in mind the interests of the people, whose servants you are. To this end you will have my aid and co-operation.

There have been two lynchings in the State during the past year both of which are to be regretted and would have been prevented if possible, so long as fiends in human form con inue to commit outrages upon our stomen they may expect swift and summary justice, and I doubt if emergency courts or any other remedy will stop the administration of such justice when it is known the right fiend is found. The only way to stop the punish ment is to stop the crime.

The following statement furnished by the State Treasurer shows the condition of the finances of the State at the close of the fiscal year, December

31. 1901: Cash Receipts for Fiscal Year Ending December 31, 1901. Cash Balance, Dec. 31, 1900 Back Taxes... General Taxes 1900 General Taxes 1901 Railroad Assessments Graduated Insurance License Fees mrer)...... Insurance Sinking Fund State Permanent School Fund State Special School Fund (Dispensary) Clemson Bequests (interest on deposits) Morrill Fund from U. S. Government..... Commissioners Sinking Fund: Loans returned \$ 62,546.41 2,905.24 Interest on Loans Agent Commissioners Sink-4.381.69 ing Fund (Sec'y State) Staking Fund Reduction Brown 41/2 per cents. : 93,560.91 Loans ceturned Interest on loans and deposits 15.841.18

Phosphate Royalty Magensary, S. C. Refunds-sundry accounts

Cash Payments for Fiscal Year Ending December 31, 1901,

mucational, Charitable and Penal Institutions mson College: Privilege Fertilizer Tax\$ 12,500.00 9,266.36 manent Fund Golered Nor. Ind. Agr. and Mech. Col.

8.000.00 Appropriation 13,790.82 Morrill Fund Interest Land Scrip

Mensions.... State Permanent School Fund State Special School Fund (Dispensary) Completion State House (paid Sinking Fund Commission) South Carolina Inter State and West

Indian Exposition Loans (notes of Governor and Treasurer) Public Printing Maintaining Militia Quarantining State

Brown 41/2 per cents.: Investment (S. C. Brown 41/2 per cents.) Execting Monument at Chickamauga ...

Cash Balance Dec. 31, 1901

Dispensary, S. C .: Transferred to School Fund ..

Account proper 2,005.297.45 100.000.00 Interest on Public Debt Miscellaneous Accounts

102,270,00

123,164,37

90.760.28

It beed necessary in order to meet sum to meet the ar the currencenses of the State gov- will be large or sn ernment, for Treasurer, by author-ity of an Act de General Assembly, and the amoun to borrow \$70,6 This loan was negotiated at four cent. per annum to reduce taxation for thirty and sixtys' time and has all been paid back, order, however, to meet the interest oe State debt, due January first it wacessary to raised, but that w borrow \$110,000 additionaris action was made necessary by the that a very small proportion of the a had been paid at the close of the

In my message of the last twors I have upon each occasion called. attention to the subject of cert Board of Assessabonds which, by the Treasurer's at the Court House port, appear as part of the old dent of taken the return the State, but which are now, under 70 over all of the the Act of 1896, no longer fundable by the Treasurer without the action of your honorable bodies. From your journals I learn that my message upon the subject was referred to a Joint Committee which reported theron, but which report was not adopted by the Senate and no action taken thereon by the House of Representatives. The in which sort Preasurer calls attention to the bonds and says: "I find on the books of this ! department certain bonds as part of the debt of the State entered as 'Old Bonds Not Fundable (Act of 1896) Blue Railroad Bonds \$37,000.' These bonds were issued in 1859, and matured in 1879. By Act of 1896 the Treasurer is forbidden to pay, consolidate or fund any coupon bond of the State after the expiration of twenty years from the date of maturity of such bonds. I am in doubt as to how longer to report these bonds. If they are no longer fundable why carry them longer as a part of the debt of the State? But while on the one hand the Treasurer can neither pay nor fund them, on the other he has no authority to write them off the books." This letter was

disposed of by some Act of the Legis-Thus confirmed in my opinion and views upon the subject by the legal officers of the State. I cannot do otherwise than repeat my recommendation of last year, viz., that the claim of the bank to be permitted to renew and fund these bonds is valid and just and should be allowed. It is not denied that the State owes the bonds to some property, and notify the owner one. They are carried as part of the

referred to the Attorney General for

a full and complete opinion, conclud-

the bonds in question constitute an

existing adjudicated part of the debt

of the State, and as such can only be

Treasurer, as owing to some one. The ship Board of A Courts have all decreed the bank to three discreet be the owner no one else can now of the Township claim them, as all persons but the the Auditor to bank are barred under the Act of assess the prop 1896 from doing so. I repeat, in the shall be appoint Ilitle face of these facts, it will short of repudiation if we continue to service. That at turns shall be made refuse to allow the receiver of the in public in the bank to fund them. EXTENSION OF TIME FOR PAY-

\$ 626,912.05

6,325.75

589.368.58

219,213.82

5,744.32

40,583.71

12,475.00

13,543,76

84,073.43

145,000.00

3,064.97

2.706.13

100,000.00

89,833.34

1,968.083.40

\$4,018,686.92

\$ 150,722.93

41,869.63

301,592.98

101,733.97

15,000.00

1,371.51

50.00

MENT OF TAXES. It is best that the time for the payment of taxes without penalty should be fixed, and it should be understood that there will be no extension. In view, however, of the stringency of money with our farmers, and in conse- property and the Auditor, to raise or quence with almost every other branch of business, and in view of the further fact that the time for the paytended that our people have come to Equalization, and expect it, after consultation with the Comptroller General, and by virtue of authority given us by law, the time for the payment of taxes without penalty has been extended to the first day | ject to

of March, 1902. TAXATION.

The question of taxation is one of the most important and difficult problems that will confront you and one it is possible. of the most profound in political econ- much will be gained toward having all omy. It has been a difficult problem ever since government has been organized and taxes laid, and never yet has a system been adopted which is entirely equitable and just and which has not been open to fraud and evasion and inequality. It is easy to lay down a theory and a principle that will be just and equitable, but when it comes to putting in motion the machinery that will carry out in its practical operations that theory and that will apply the principal to property, the question becomes a vexed one and difficult of solution. The Constitution provides that all property shall be assessed at its true value and therefore bear its share of the burden of taxation. This principle was laid down by Adam Smith, the celebrated Scottish philosopher and political economist, in the early part of the Eighteenth century, and by all writers on political economy before and since his day. Equal and just taxation, levied on all 100,000.00 property proportionately and in accordance with its value, is the product of the highest justice, and when done to meet simply the demands of govern-31,019.42 never burdensome. On the other hand, eral years past. This, of course, has unequal and unjust taxation is al-16.918.30 ways burdensome and has been the cause of many of the wars and much tions were larger at the last session 6,771.85 of the strife all through the history 41,273.89 of the ages.

It is necessary to raise a certain amount of money to meet the expenses of the State government and this must be done by taxation. It makes little levy is high or low. The question that property we should have near four concerns him is the assessment or valuation placed upon the property to be taxed, and wrether or not it is valued at the same ratio as other property. When the politician boasts of having 237,743.25 | reduced the tax levy he is only trying to fool the people. The levy must be Real \$102,1 5,427 \$173,258,440 \$4,018,686.92 large enough to realize a sufficient, Personal . . . 52,6 5,830

the valuation plat made by the Legisl propriation. Of con fixed in the Const ize more income tage, for scarcely to an increase in

Under the pre County turns are mad wnship Auditor. There meets Auditor dertakes ie or two ity Board

o Then there meets at the lization, w over the re-House a canty in one or done in sometwo d nanner and acthing in securcomplish ment of proping an ec s in the State erty. There ind is assessed its actual valat one-third or sessed at its ue, while other may be two real value. In face, one worth adjoining plantation er, and yet twice as much as sessed for under our syst er acre. In taxati ses it is the rule to assess live many stock at so much it head, regardless of the fact that on horse may be worth two or three times what and is, even in the same County. And this is what Township Boards of As sessors and the County Board of Equalization understands as equalizing property for tax ton. This certain y is not the purpose for which these Boards are created. And yet it is impossible for a Township Board to mest and spend only or day going over the returns that have been made, and get his opinion, and in reply he submits them equalized. It is also as impracticable for a County Board of Equalizaing as follows: "I am of opinion that tion to meet and in one or two days equalize the assessments upon all the property in the County. Much more could be accomplished if the law were amended so as to require that the County Auditor shall, after notice in the public prints, take returns in each Township, and shall not take these returns except while present in the Township. In case any taxpayer fuses or fails to make return while the Auditor is present in the Township, the Auditor and the Town Board shall be required to asses aluation piac

> eholders, residents ho shall meet with ive the returns and y. That this Board by the County And!tor and receiv and the Township Board, and that the our towns and cities and these owner of the property shall be required rapidly built up at the expense of to answer the questions as now pro- surrounding country. This is an vided by law, and make affidavit as to the correctness of his answer. If the too high or too low it shall be its duty, in the presence of the owner of the lower the return in order to reach the true market value of the property. The Township Boards Chairman of thes this Board shall meet at th the return d hear complaints County A decision to be suband app e State Board. The be permitted to go Auditor shall be appointed into a p s provided by law, by the and independent as so as to b property assessed equitably. The honest taxpayer would much prefer to return his property at its true value, if by doing so he would bear no more than his just portion of the burden, and the man who desires to evade should be made to bear his part of the burden by having his properly return-

ed at its true value There is no question that so much demands your earnest, your careful, your thoughtful, and your diligent consideration, and that so much concerns every citizen of the commonwealth as this question of taxation. It has received the attention of every Legislator who has had the interests of his people at heart since taxes have been levied and government organized, and yet there is no subject in which there is more room for reform than that of equalizing taxation and placing upon the books for taxation that property which is now evading the officers of the law.

There has been a gratifying increase in the taxable property during the year just closed. In fact, the increase is ment, economically administered, is greater than for any one year for sevmade an increase in the amount of taxes collected, but your appropriathan the year before, and but for the increase in taxable values there would have been a deficit and the appropriations could not have been met out of the income for the year. Instead, however, of having dne hundred and difference to the taxpayer whether the eighty-nine million dollars of taxable

hundred million. The following comparative figures for 1900 and 1901 are taken from the Comptroller Canara 's report:

1901 1900

NG, JANUARY 14, 1902

Railroads . . 25,359,273

Total\$179,514,530 \$189,333,107 These figures show a total increase in the taxable values for the past year of \$9,618,577.

For further information in regard to this department your attention is directed to the excellent and suggestive report of the Comptroller General. SINKING FUND.

In my last Message to the General Assembly attention was called to the fact that at that time \$241,030.84 of the \$389,202.23 of assets of the Cumulative Sinking Fund for Reduction of S. C. Brown 41/2 per cent. were on deposit in banks, and although drawing 4 per cent. interest were unsecured, except by the credit of the banks wherein deposited. This condition no longer exists and there is now of this fund so deposited in banks only \$59,358.84, which will soon be drawn cut to complete the State House loan. This has been accomplished during the past year by the loan of \$123,164.37 under the Act of 1900 "To provide for the completion of the State House," and by the purchase during the past year by the Commissioners of the Sinking Fund of S. C. Brown 41/2 per cent. bonds and stock of the aggregate face value of \$78,012.00. These bonds and stocks have been under the law converted into S. C. Brown 41/2 per cent. stock issued in the name of the Commissioners of the Sinking Fund, and although purchased at a premium, being 41/2 per cent. bonds, will until maturity pay almost, if not quite, 4 per cent. on the price paid. Under the trust this is an ideally safe investment, ging made in the very bonds the fund created to retire.

e deposits in banks, unsecured exy the credit of the banks wheresited, pay only four per cent. and this rate of interest is my time to decrease, should interest. the demand for money at liable at a ntres decline. interest and

31st, 1901, the assets of the money co Sinking Fund for Re-On December rown 41/2 per cent, the Cumulative duction of S. C. B 15.52 invested so to five per cent. amounted to \$420, the ordinary as to yield from four 49,397.22. The interest. The assets of Sinking Fund are now king Fund assets of the Insurance S for State insurance of public amounts to \$3,111.22.

GOOD ROADS.

During the past year there has general awakening throughout on the question id in every se as been manife all secure ssors, consisting of the improvement of honor cf ways. There is no q ected in directly and more go the great body of our South has possibly been in this matter, and the

sulting from her negligence For the past few years the sence of the Auditor been a great influx of people which if possible should be remedie for it is to the people of the country the correctness of his answer. If the and not to the towns and cities, that Township Board thinks the return is and not to the towns and cities, that Township or too loss it shall be its duthe preservation of her institutions. One of the prime causes of this great flow of population into the towns and cities is to be found in the condition of our public highways. In most of the counties in the State during cerment of taxes has so often been ex- shall constitute the County Board of tain seasons of the year some of the roads are altogether impassable, and House and go over all communication and traffic with County with the the cities and railroad points is cut off. Such a condition of affairs must work great hardships, especially upon the rural districts, and the people of the rural districts compose the great

majority of our population. Leaving out of consideration altogether the evils resulting from the condition of our roads, however, and looking at the question from a purely business standpoint, good roads and are one of the investments which can best he made by a County or State. Under our present methods of road building, it is necessary to rebuild the roads after every washing rain, while if we built good, permanent roads, the cost of keeping them in repair would be a very small item in comparison to what our present roads better that we should not have child are costing. In fact, the saving in labor. In a good many instances the not having to work the permanent mill owners themselves have realized roads so often, would in a very short time pay for their building. This has been found to be the case wherever ture, they know in order to have skillgood, permanent roads have been built.

From the Seventh Annual Report of the Commissioners of Public Roads for the State of New Jersey, one of the leading States in the Good Roads Movement, the following is taken merely to show in what respect by the schools of the community. In good roads are held by the people who have used them and know of their advantages: "The people seem to be so wonderfully impressed with the idea certain ages to attend the public that by good roads the value of land will be increased, transportation cheapened, travel and business attracted, school houses and churches filled, and civilization advanced, that they are praying as earnestly for them as for great riches. Consequently the pressure for new roads is so great it seems almost impossible to cities. Besides, the mill owners pay hold the people back. They are so their part of the school tax, which anxious that they are not willing to confine themselves within the limit of State and County appropriations. They are constantly insisting upon building ahead of the State appropriation, in order that they may enjoy them now."

It has been estimated that in forty Counties in Indiana where good roads have been built, "the average increase in the selling price of land, due to existing improved highways, is \$6.48 per acre. The estimated average increase per acre that would vesult from improving all the public reads and looking only to the present, sub-10

27,044,243 is \$9.00. The estimated average cost of converting the common public roads into improved highways is \$1,146 per mile. The estimated average annual loss, per 100 acres, from poor roads is \$76.28." On the basis of this calculation the average annual loss from poor roads is seventy-six cents per acre. It will be seen that the loss from poor roads would soon pay for the building of the good roads and after replacing the amount paid for their construction, the good reads

will continue to pay.

Of course, it cannot be expected that South Carolina should do as much as some of the States have done, but any action which may be taken leaking to the betterment of taken, looking to the betterment of our roads, will be of great benefit and in the long run will actually sawe money. Most of the work done by our Chaingangs upon the present roads is

simply thrown away. The building of public Lighways is as much of a science as raffroad building, and in order to build roads will require money, and in order to secure money there will have to be provision for raising it by taxation. The Good Roads Convention, which

was recently held in Greenville, passed resolutions requesting the Legislature that each county be given the privilege to determine by election the right of such county to levy a tax, not to exceed two and onehalf mills on the taxable property of such county, if so much be necessary, in order to build good roads, and that such counties as desire to do so begiven authority to issue bonds to construct and maintain their public highways and be authorized to issue bonds upon so deciding by county election. A resolution was also passed at this convention requesting the legislature to enact such laws as will encourage the use of broad tires, and also that the County Chaingangs shall be put to work exclusively on building good, permanent roads. These suggestions are practical business propositions and will work great benefit to the State if carried out, and I recommend that they be followed.

It is most gratifying to note the interest which has lately been taken by the people of South Carolina on this subject. Most of the counties of the State are awakening to a realization of the importance of the subject and much is being accomplished.

In this connection the work which has been done and is now being done by the Southern Railway in this direction deserves commendation, and no doubt much of the good which has resulted from this awakening is due partly to its efforts. Any action looking to the better-ment of our roads which, in your

wisdom, you may see fit to take, will the necessities of a thoroughly equip ped volunteer service, and why I con celved it but right and just that the national government should make ample provision therefor. It is man pleasure to report that the increase of appropriation has enabled me the current year to supply almost the eatire service with modern accountrements. And during the coming year nd before the expiration of my proserm of office I confidently have every company in the State term of office I confidently b pictely and modernly equipped egular army, with the excepie 'magazine rifle,' the inof which will have to be secount of the price. In ewith I may add that States that the Kragmil would be issued on and ing the militia) perity generals and few ve: service in the

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There is no rank small child con mills is injurious cally and mentally recreation, play, ex school, things so nece growth and healthy the child body and child ing but labor and toil sunrise until after dark, is by the laws of nature to child mind and the child b cause it is in direct conflict v laws of nature, and will have fluence and effect upon the cit ship of the future. Even looking at the situation fro

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a cold business point of view, it this fact, and have prohibited child labor in their mills. Looking to the fued labor in the grown up man and woman, it is necessary that the child of the present shall not only not be dwarfed physically and mentally, by close confinement and labor during the tender years of youth, but that it shall have all the advantages offered some cases the parents who work in the mills are required to sign a contract to force their children between schools provided. There are mill towns in this State which are models in everything that goes to make an ideal community. The mills contribute largely for the education of the children and in some of these communities you will find as good school buildings as in any of the larger towns and goes into the general fund and the most pleasant relations exist between the mill owners and the operatives. The fact that the mill owners, who are in the best possible position to judge by experience, recognize by such action the importance of educating and caring for these children, is a strong argument in favor of the necessity of a law prohibiting child labor.

In many instances, however, these rules are not required, and the mill owners, finding child labor cheapest.